

HOUSE FIRED BY CHARGE OF BOGUS BONDS

Royal Johnson Says He Gave Proof to Justice Department.

RAPS DISMISSAL OF SPECIAL AGENT

Fraud Reaches Hundreds of Millions, He Avers.

Scores Daugherty.

The Bureau of Engraving and Printing again has become a storm center as the result of sensational charges made yesterday on the floor of the House by Representative Royal Johnson, of South Dakota, that hundreds of millions of dollars worth of spurious government bonds have been circulated in the country.

These duplicate bonds, Johnson charged, were printed at the Bureau of Engraving and Printing and passed through the office of the Register of the Treasury. Johnson said information bearing on the fraudulent issues had been presented to the Wilson administration and suppressed, and that he personally last year conveyed proof to the Department of Justice.

Resents Agent's Dismissal.

Johnson's accusations were made yesterday in connection with his discussion of the summary dismissal of W. O. Watts, a special agent of the Department of Justice, for "disloyalty to the department." Watts was discharged on orders from Attorney General Daugherty for having supplied Johnson with information which the latter used in making an attack on the department for alleged laxity in prosecuting war claims. Johnson was bitter in his denunciation of Daugherty.

A government employee, Johnson insisted, should be privileged to communicate knowledge of fraud to members of Congress.

Johnson's speech in the House followed a conference among Secretary Weeks, Attorney General Daugherty, Chairman Campbell of the Rules committee, and Representative Woodworth and Johnson himself.

Would Ignore Resolution.

This conference considered what would be done with the resolution offered jointly by Woodruff and Johnson, which called for an investigation of all matters relating to war contracts, war claims and the disposal of surplus government materials. Chairman Campbell indicated the disposition was to ignore the Johnson-Woodruff resolution.

However, in light of subsequent disclosures, it now seems that the resolution would be taken up by the House.

The Bureau of Engraving and Printing recently came into the limelight when it was charged with having printed duplicate bonds without explanation. The action of the administration created a furore in Congress and among government employees, but reasons for the action were never given other than that it was for the good of the service.

Ordered to Keep Silent.

A check-up in the bureau ordered after the change showed no irregularities, according to Treasury officials.

According to the story Johnson told, J. M. Carter, who came to Washington to become Assistant Secretary of the Treasury, obtained information in 1918 that there had been an enormous duplication of government bonds. Carter informed higher officials of his discoveries, according to Johnson, and that there would be no investigation and that "he should keep his mouth shut or lose his position."

Subsequently Carter was discharged from the Department of Justice, according to Johnson.

Gives Numbers of Duplicates.

Johnson said that in 1921 he personally took the data furnished by Carter to the Department of Justice, and that he had obtained action from the Wilson administration. No one knows, according to Johnson, the amount of the duplicate bonds. He said he had taken to the Department of Justice seven typewritten sheets single-spaced, containing the numbers of duplicate bonds, some of which ran 100,000 higher than bonds which were legally issued.

"At one time it was shown conclusively that a colored taxicab driver was discovered in front of the New Willard Hotel with thirty-one, 000 duplicate bonds," said Johnson. "He was discharged from custody in four days."

Wingo Asks Probe.

In response to questions, Johnson said he did not know what the check-up ordered by Secretary Mellon at the Bureau of Engraving and Printing had revealed. His own investigation, Johnson said, "was of an independent character," and produced facts which no one denied.

"I took personally all of the data down to the Department of Justice myself, early in 1921, after we had tried in every way to get action from the former administration," Johnson said. "The data were written through Mr. Lemingwell, at that time an Assistant Secretary of the Treasury, are easily procurable."

Representative Wingo, Democrat of Arkansas, demanded that the charges be investigated.

Appeals to Country.

"I think we owe it to the people who own bonds to investigate this matter and set it at rest once for all," he said. "The charges are not true let us brand them as false."

Johnson declared Congress and the country should resent the discharge of Watts.

"We are getting to a peculiar situation in our affairs," he said. "If an employee of an executive department cannot come to a chairman of a committee of Congress and give information concerning

Teacher Salary Increases Get Committee O.K.

Capper Bill to Go Before Senate; All School Employees Benefit.

The Capper bill providing increases for teachers, school officers and employees was ordered favorably reported to the Senate by the District Committee yesterday.

The vote for a favorable report was unanimous. Senator King was not present. The committee directed Senator Capper to write the report that is to accompany the bill when it is submitted to the Senate. Senator Capper said last night that the report would be ready before the end of the week. He said it would be exceptionally strong.

The Capper bill provides salary increases for practically all classes of teachers, and in addition for school officers and employees.

The bill creates a number of classes into which teachers are placed according to their standing. In each class there are a certain number of groups, each of which call for a basic salary and regular annual increments.

The bill provides for promotion of teachers and principals, assistant principals, school supervisors and department heads are also classed under the basic and maximum salaries fixed.

Basic and maximum salaries are also provided for the director and lesser officials of the Community Center Department.

The bill empowers the Board of Education, on the recommendation of the superintendent of schools, to classify and assign all teachers, school officers and other employees to the salary classes in which they are rated under the schedule.

The Board of Education is directed to prescribe the rules under which assignments to the various classes will be made.

AGREE ON 60-40 PLAN TO MEET D.C. EXPENSES

Conferees Vote Excess Revenue to Be at Commissioners' Disposal.

DECIDE ON FIVE-YEAR TAX RATE

Approve Immediate Appropriation for \$1,500,000 Water Supply.

Continuation of the 60-40 plan for apportioning expenses of the District between the District and the national governments, respectively, was agreed upon yesterday by the conferees who are attempting to adjust the differences between the District appropriation bill as passed by the House and as amended by the Senate.

The Senate conferees sacrificed the Jones amendment, which left the apportionment of taxes indefinite, in order to retain some of the other amendments increasing appropriations for urgent District needs.

A fixed rate of taxation for the District from 1923 until 1927, inclusive, was decided upon. The tax on intangible personal property was increased from three-tenths to five-tenths of 1 per cent of the full market value.

No Restriction in Estimates.

Revenue raised by the District in excess of the amount required to pay 60 per cent of the District appropriations will in the future be held at the disposal of the District Commissioners, to be used in succeeding years to pay the District's share of the expenses or to reduce the tax rate. There is to be no restriction in the future in the estimates that the Commissioners shall submit to the Bureau of the Budget.

The Senate amendment calling for an immediate appropriation of \$1,500,000 for an increased water supply was agreed upon. In all \$8,378,000 will be spent, to be spread over a period of years.

The conferees cut the provision for an increase in permanent building inspectors from four to two. The former figure was that of the Senate amendment.

Police Increased by Forty-two.

The bill as agreed upon by the conferees provides for an increase of forty-two in the number of police.

All amendments providing for more street paving were agreed to by the House conferees as passed by the Senate with the exception of the paving of the west side of Connecticut avenue from Ingomar street to Chevy Chase circle.

For the purchase or condemnation of land to take the place of the Columbia Heights playground, the members agreed on a sum of \$25,000. This is one-half of the sum provided in the Senate amendment.

The question as to which, if any, of the Senate amendments providing for more schools should be passed is still up for consideration and will be referred by the House conferees to the floor of the House. The amendment providing for a business manager for the schools was eliminated.

Fire Engines Struck Off List.

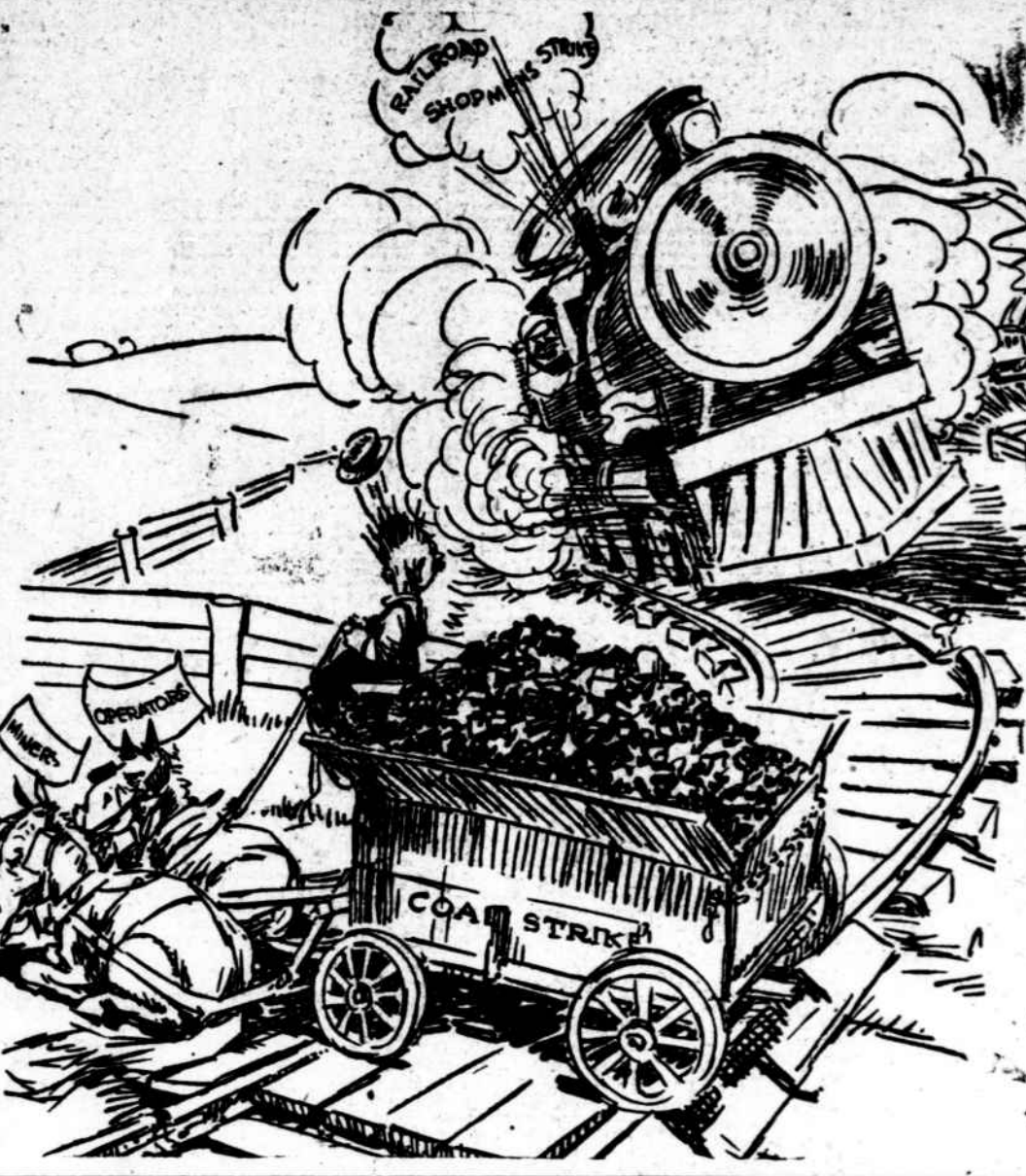
The fire department suffered the loss of two prospective pumping fire engines added by the Senate amendment, but which the conferees struck from the list.

The conferees are still disagreed over the Senate amendment providing for the purchase of the Potomac River Valley Park, the Piney Branch Valley Park and the Patterson tract, and over the provision of \$5,000 for the maintenance of a tourists' camp in East Potomac Park.

An allowance of \$2,400 with which to equip, grade, and improve six additional school yards for play purposes was agreed upon.

The objection raised by the District Commissioners to the location of the proposed home for the feeble minded on the property now occupied by the home for the aged and infirm, failed to prevent the conferees from agreeing on an appropriation of \$175,000 for a home to be located on that site.

Dangerous Crossing, Look Out For the Cars.—By J. N. Darling.



PUBLIC UTILITIES BODY DENIES MOVE TO KILL BUS LINES

Fear of Monopoly by Car Companies Alleged by Announcement.

PERMIT IS GRANTED

Rapid Transit to Run Another Route With Terminal at R. I. Ave. and T St.

The bus war, which threatened between the Public Utilities Commission and the House District Committee, ended yesterday with an announcement recently by the former that it would favor applications of the street car companies to operate bus lines, has gone glimmering in a denial by the commission that it had any idea of throttling the bus line system.

Chairman Focht, of the House District Committee, feared the announcement, which was made in a public necessity and convenience bill, would be a blow to the bus line system. The commission said it was only desiring the better service, and it feels a financially strong company can do this better than one that has not so much money at its disposal.

Public Necessity Is Keynote.

The Public Utilities Commission will grant bus line permits whenever public necessity and convenience can be shown to require such service.

In the future preference will be given to the bus line in acquiring permits to run busses over specific routes.

These were the policies that were adopted yesterday by the commission, and it is expected that Walter C. Allen, secretary to the commission, will make them public officially today.

The commission reaffirmed its position in regard to allowing the Washington Rapid Transit Company to run a bus line from North Capitol street and Rhode Island avenue to Potomac Park and to Eighth street and Pennsylvania avenue northwest. A permit was granted the company last year.

Terminal Is Changed.

The decision, however, changes the terminal from Rhode Island avenue and North Capitol street to Rhode Island avenue and T street north of the terminal first set. The company will be given until May 15 to put the line in operation. Officials have stated that their cars will be ready to run by May 15.

Bus stands on Twelfth street, northwest, between C and D streets, will be removed to Eleventh street, immediately south of Pennsylvania avenue, according to action taken by the commission on the complaint of the Washington-Virginia Railway Company. The commission held that the change would remove cause for complaint while not seriously injuring the bus companies.

The application of William Cathcart to operate a bus line from Union Station northwest on Massachusetts avenue to Q street and then west to Thirtieth street was refused on the grounds that it ran over much the same route now used by one of the lines of the Washington Rapid Transit Company.

Hearing Called for May 10.

A public hearing has been called for May 10 to consider three other proposed bus lines. One of these is that of Cathcart to run a six-bus line from Nineteenth and Calvert

KING GUSTAVE IN CAR CRASH

Swedish Sovereign Escapes With Bruises.

Chamberlain Hurt.

PARIS, April 26.—King Gustave of Sweden came close to death, but through luck escaped with slight bruises when his automobile was struck by another car and thrown into the ditch near the town of Gap, in Southern France. The King's chamberlain was badly injured.

King Gustave was motoring over the mountain roads on his way to Geneva when the accident occurred.

LAWYER TO BRAND EASTLAKE IN FIGHT TO ACQUIT NURSE

Move to Fasten Murder On Exonerated Husband Intimated.

BITTER BATTLE ON

Counsel for Miss Knox Turns Guns on Plan to Put Children on Stand.

MONTROSS, Va., April 26.—Harry M. Smith, chief counsel for Miss Sara E. Knox, a nurse, charged with the murder of Mrs. Margaret L. Eastlake, sprung a surprise in a crowded court room today by intimating his purpose to attempt again to shift the crime to the shoulders of the husband, Roger D. Eastlake, who was acquitted.

That he trial will cause bitter clashes between rival lawyers, was shown from the start. There was a clash between Commonwealth's Attorney Mayo and Attorney Harry M. Smith over permitting witnesses who had not been summoned to remain in the court room.

In his opening statement to the jury, Commonwealth's Attorney Mayo pictured the killing of Mrs. Eastlake. He concluded by saying: "I expect to prove that the murder of Mrs. Eastlake by Miss Knox was deliberate. She came all the way here from Ocean City, N. J., with murder in her heart. Within one minute after Eastlake had left his home, Miss Knox was inside. Within two minutes Mrs. Eastlake had been butchered."

Clash Over Children.

Once, during his address to the jury Mr. Mayo was interrupted by Attorney Smith. It was when he referred to Miss Knox talking to the Eastlake children, Roger D., Jr., 8 years old, and Margaret, 6 years old.

"Are you going to put those little children on the stand?" inquired Attorney Smith.

"I am going to prove everything I say," was the answer of Attorney Mayo.

Attorney Smith in his opening address for the defense said: "I am entirely at the mercy of the Commonwealth attorney in this case as regards to witnesses he intends

Big Crime School Preys on Gotham

Captive Reveals How Gang Tutors Crooks and Loots City Scientifically.

NEW YORK, April 26.—Police are convinced that New York has been at war for months with a school of crime which is operating on a scale of organized thoroughness unknown in the city's history.

With astonishment, the oldest members of the police department listened to a story of crime, organized with a card index that marked off the city into districts, each in charge of a lieutenant who directed his criminal—old by Herbert G. Slatery, a strapping and powerful man, who after receiving a course of instruction.

Slatery, the police say, while wandering the streets of New York looking for work, was approached by a stranger and promised "easy pickings" if he would take a few lessons.

Nick Carter Loses In Final Battle

Author of Thrilling Detective Stories Kills Self, Fearing Old Age.

NEW YORK, April 26.—Nick Carter, intrepid sleuth, has lost his last battle. For twenty years he fought through a thousand fights with desperadoes, pitting his life against theirs in a war on organized villainy, in the pages of volumes.

But fear—fear of old age and of "becoming a burden" on his friends—beat him, and he fired his last shot tonight—killing himself instantly.

The body of Frederick Van Rensselaer Day was found in the Hotel Breitel at Nyack. Beside it was a note to Deputy Police Commissioner Patrol, telling the inspector why he had thus closed his career. Another note, to Maj. Joseph Caccavajo, a friend of years, told "how things have gone to smash—I am tired out, and want to try the long sleep. It is no sudden decision. I cannot stomach the thought of growing old and being a burden."

Day originated the Nick Carter character more than a quarter of a century ago. And for twenty years he wrote one Nick Carter story, 20,000 words, a week. Fifty Nick Carter stories a year, 1,000,000 words a year and altogether 30,000,000 words.

NEW WORLD WAR LOOMS AND U.S. WILL BE DRAGGED IN, LLOYD GEORGE WARNS

Poincare Urges Firm Measures

Paris, April 26.—Premier Poincare is anxious for a chance to convince the allies that firm measures must be used on Germany to insure reparations payments. Whereas Poincare formerly declared he was absolutely opposed to a meeting of the supreme council during the Genoa conference, it is learned authoritatively that he now believes that France should have a chance to explain her position in the near future. He favors a meeting at Paris before May 5, or if that is not possible, at Genoa.

His change of mind is believed to have been prompted by Lloyd George's outspoken opposition to the French viewpoint.

PARLEY IN TURMOIL

British Call Meeting to Demand What France Means by Threat.

POINCARÉ SPEECH FORCES SHOWDOWN

Welshman Tells Press Only Chance to Avert War Is in Genoa.

GENOA, April 26.—The spectre of another European war has appeared with menacing suddenness at Genoa, obscuring everything else for the moment.

Another conflagration in Europe, which must surely follow the United States as it did before, is inevitable unless the Genoa conference can deal successfully with the dangerous situation which now exists. Lloyd George declared in an amazing speech at a dinner given to him by British and American newspaper correspondents.

Just a few hours before the British had started the conference by demanding that all nations present who signed the Versailles treaty, except Germany, meet as soon as possible to demand what France means by her threat to act alone against Germany to collect her share of the reparations payments.

Dismay in Conference.

The whole conference has been thrown into wild excitement by the two developments, and the dark warning voiced by Lloyd George has left a heavy cloud hanging over Genoa.

Lloyd George is without doubt thoroughly alarmed over the situation. France has created by the threat to act alone against Germany. His dramatic utterance at the dinner was taken as a direct warning that France must abandon her present attitude if Europe is to be spared another horrible war.

Lloyd George warned the correspondents that Europe faces potential war unless the Genoa conference is a success. Otherwise another conflagration is inevitable within the present generation, he declared.

Warns U. S. Will Be Dragged In.

The British premier warned against a combination of Russia, Hungary and an angry Germany seeking vengeance.

"Every Eastern frontier from the Baltic to the Black Sea remains unsettled and threatens peace," he asserted.

He wished America had come to Genoa, for then her disinterested position would have been a powerful influence, tending toward a settlement of European questions. He said he believed the point of view to America coming from Europe would be subject to suspicion, but he warned that the United States would not be vitally interested in the event, as European war which would inevitably draw her in as did the last one.

Challenge to Poincare.

While the allies are momentarily dominant, Lloyd George warned that this dominance is the point of view to face two-thirds of Europe, embraced by Germany and Russia, unless the defeated enemies were treated justly.

He pointedly refrained from mentioning France directly, his speech was interpreted as a distinct challenge to Poincare's Bar-le-Duc speech threatening separate action against Germany.

Pleading patience, the little Welshman declared the Genoa parley is the most important conference ever held in Europe, and that it is folly on the part of the British to refuse to face two-thirds of Europe, which might be a revelation to some, but which he forecast "as inevitable, long ago."

Angry With France.

Questions of exchange and other subjects before the conference, he declared, were unimportant compared with the establishment of a peace that will avert the impending conflagration.

"We are making any effort to conceal it. The British are frankly angry with France over the situation, and they called the allied meeting with the avowed purpose of having a showdown at Genoa."

France, the British feel, must be headed off and made to take a more conciliatory attitude, if trouble is to be avoided.

France is holding doggedly to the contention that she has a right to impose sanctions, such as occupation of the Ruhr, should Germany fail to fulfill her obligations. Germany herself acknowledged this right in signing the Versailles treaty, the French assert, and hence it is no violation of territorial rights.

While there was nothing definite obtainable, the only inference could be drawn from Lloyd George's sudden alarm is that he is convinced France actually contemplated forc-

MINERS CHARGE HIRED GUNMEN COW WITNESSES

Defense Claims Agents of Operators in Courtroom Are "Heeled."

STATE IS REBUKED

Pretty Widow of Ed Chambers, Union Leader, Present to Aid Defense.

CHARLES TOWN, W. Va., April 26.—Bad blood between the prosecution and the defense flared forth in the miners' treason trials here today. The climax came when the defense, goaded by the State's attorneys, charged that gunmen were in the audience—armed men of the coal operators, put there for the distinct purpose of intimidating the accused prisoners.

Attorney Belcher stirred up the row ending in the defense's accusation, which ended in a virtual riot. Belcher had been asked for a list of State witnesses. He would not give them, alleging he had "good and sufficient reasons" for withholding them. Then, in the presence of a courtroom packed with prospective jurors, witnesses and defendants, he shouted that the State was keeping its silence because of intimidation of witnesses.

Charge Agents Are "Heeled."

The defense, which for days had been aware of reports that many in the court were going "heeled," but had declined to make the charge with a demand for stacking arms, was incensed at Belcher's move. The defense had said it wanted to try the cases on "a high plane," hence its silence on the arms question. But of American Commonwealth's Attorney Mayo retorted, charging unfairness in making such a claim before jurors. Defense Attorney Mason, joined in with the blunt accusation that there were then and had been all along armed forces in the room with the distinct purpose of cowering defense witnesses.

The prosecution suffered another stinging defeat when Judge Woods compelled the State counsel to amplify its list of witnesses. In a statement declaring that in these trials "the right of workmen to organize and protect their own interests is the great issue that is at stake."

"Thousands of men," he said, "have been denied this right by coal operators and coal companies, to whom profit in dollars and cents is the all-controlling principle."

Lewis expressed confidence that a conviction could not be obtained. "Citizens of Charles Town," he asserted, "and that the coal miners

MAJORSHIP OFFERED WATTS TO KEEP SILENCE, IS CHARGE

Representative Alleges Move Was Made to "Buy Off" Investigator.

Secretary of War Weeks and Attorney General Daugherty went to the Capitol yesterday and told Republican members of the House Rules Committee that the proposed Congressional investigation of war contract frauds would be inadvisable. They expressed fear that such an investigation would disclose information of value to persons involved in the frauds.

Representative Woodruff, of Michigan, and Representative Johnson, of South Dakota, two Republican former service men, who are demanding the investigation, gave notice that they would continue to press for action. The Republican members of the committee will meet again today and probably decide the fate of the resolution providing for the inquiry.

Johnson charged in the House that an attempt had been made to "buy off" W. O. Watts with a major's commission in the regular army. Watts was dismissed as an agent of the Department of Justice several days ago for furnishing information to Johnson concerning war contract frauds.

"I am reliably informed, and I believe it to be true, that Mr. Watts was offered a commission of major in the regular army if he would withdraw his objection to certain contract frauds," Johnson said. "He refused, and was discharged from the army. Later on, through the efforts of Mr. Woodruff and myself, he was given a position in the Department of Justice. I believe that the Attorney General was very ill-advised in dismissing him."